



SECTION I: ACCOMPLISHMENTS





Quality Assurance/Training

Train-the-Trainer Program Comes to Los Angeles

In recognition of the importance of training in the development of a quality assurance program, the Court sought to enhance the skills of trainers throughout the district. Through a coordinated effort with the Administrative Office's Technical Training and Support Division (AO-TTSD), the Court piloted a program that previously was only available by sending a limited number of Court Training Specialists to San Antonio, Texas. For this program, an AO-TTSD Training Specialist came to the Court to conduct a week-long workshop for 16 individuals from throughout the district who are responsible for training other staff members. The workshop provided participants with an understanding of: basic presentation and delivery skills and their importance to successful training classes, adult learning styles, and the psychology of personality. In addition to the significant cost savings to the judiciary by having the trainer come to Los Angeles, more staff was able to attend the class than if it had been conducted in Texas.



Seminar Facilitator Lou Gil



Train-the-Trainer Seminar Participants



Use of Federal Judicial Television Network Continues to Grow

With the installation of the Federal Judicial Television Network (FJTN) in both the Los Angeles and Santa Ana Divisions, the Court enhanced its capability to meet the educational and informational needs of both judicial and court staff. Presentations included the AO series on the Judiciary Benefits Initiative; Supplemental Benefits and Flexible Spending Accounts; FJC court management workshops, such as *Leadership 2000* and *The Essence of Leadership*; and *Agricultural Bankruptcy*, a program designed to provide updates to bankruptcy judges and law clerks on Chapter 12 case-law developments. Video tapes of these and other FJTN programs were made available throughout the district.

New Quality Assurance Program Initiated

During 1999, the Quality Assurance/Training Department focused on developing standardized quality assurance procedures and measures throughout the district. This effort resulted in a new Quality Assurance Program for petitions that is being piloted in the Los Angeles Division's Case Initiation Department, with expansion to the remaining divisions planned for early 2000. The program is unique in that it features an automated worksheet format that is user-friendly, includes all information necessary for a quality review, automatically enters error data into a database for analysis, allows on-screen edits and corrections, and identifies potential problem areas and training issues. This program provides an accurate and efficient method for reviewing new petitions and standardizes the quality control process throughout the district.

Judges Conduct "Lunch and Learn" Programs in Los Angeles and San Fernando Valley

In October 1999, the Los Angeles Division launched a new "Lunch and Learn" program for Clerk's Office staff. Each month, a different judge provides a 30-minute presentation to Clerk's Office staff on issues designed to increase the staff's understanding of the bankruptcy process. Under this popular and well-attended lunchtime program, judges have conducted sessions on topics such as the pending bankruptcy reform legislation and the relationship of the Bankruptcy Court to other court units and agencies.

The judges in the San Fernando Valley Division and the local bar association began a "Lunch and Learn" program for attorneys in May 1999. The program consists of

monthly one-hour presentations on different areas of bankruptcy law and procedure. During 1999, the judges and bar association members have given presentations to attorneys and Clerk's Office staff on such topics as prosecuting motions for relief from the automatic stay, lien stripping in Chapter 13 cases, and adversary proceedings.

Court Maintains Strong Emphasis on Staff Development

The Court continued to develop staff through training in both automation and operational functions. The Court also conducted sessions on developing leadership skills, effective hiring and interviewing techniques, and improving writing skills. Please see the following table for an outline of training provided to staff in 1999.

District-Wide Training: 1999

Classes		Staff Participant Hours					
Name	Total Number	Total Hours	LA	RS	SA	ND	SFV
OPERATIONS PROCEDURES							
NIBS	167	768	82	76	141	41	428
Calendaring	44	138	0	0	98	0	40
Recording	75	202	0	0	46	0	156
Video Conferencing	27	94	0	0	88	0	6
Case Initiation	138	475	66	0	18	42	349
Imaging	42	49	4	0	109	0	36
Counterfeit Currency	10	130	42	26	26	16	20
Bank Card	2	17	0	3	0	0	14
Appeals	3	85	49	0	0	0	36
Telephone	6	11	0	0	8	0	3
Court Costs	6	47	47	0	0	0	0
AUTOMATION TRAINING							
webPACER	1	44	44	0	0	0	0
WordPerfect	86	552	8	2	469	73	0
cc:Mail	1	1	0	0	0	0	1
Quattro Pro	1	97	83	7	7	0	0

Classes		Staff Participant Hours					
Name	Total Number	Total Hours	LA	RS	SA	ND	SFV
FEDERAL JUDICIAL CENTER/AO-SPONSORED PROGRAMS AND FJTN PRESENTATIONS							
Employee Competencies	2	120	80	40	0	0	0
Hire the Right Person	2	352	224	40	48	16	24
Leadership 2000	6	113	90	0	15	0	8
Working Program	40	653	0	0	600	16	37
Flexible Spending Plan	9	176	114	1	47	14	0
Supplemental Benefits	1	53	0	0	0	0	53
Presentation & Development Techniques	1	640	240	80	120	80	120
FJTN Presentations	10	66	54	0	6	6	0
OTHER TRAINING							
Simply Grammar	3	97	51	2	28	0	16
Writing Class	12	363	168	26	41	72	56
Coping with Transition & Change	2	26	0	0	0	17	9
Mediation Training	3	66	40	0	20	0	6
Safety Training	4	52	0	0	37	15	0
Your Role in a Changing Work Environment	1	322	161	70	49	14	28
LOCALLY DEVELOPED TRAINING							
EDR/Health and Safety	4	77	62	0	0	15	0
Law Clerk and Extern Training	1	169	78	26	39	0	26
New Employee Orientation	5	54	24	0	0	8	22
Coping with Change Seminar	1	442	289	34	51	34	34
TD Automation Seminar	1	630	441	63	42	42	42
Special Procedures	3	60	50	0	3	0	7



Technology

Court Achieves Y2K Readiness

The Court successfully completed all software and hardware modifications required to operate in the year 2000 (Y2K). The project of identifying software requiring Y2K-related modifications throughout the district began in a special computer laboratory located in Los Angeles. All automation programs, such as software for cashiering (ICS-Intake Cashiering System), case management (NIBS-National Integrated Bankruptcy System), calendaring (CCP-Court Calendar Program), and financial functions, had to be revised. Once the revised software was tested in the computer laboratory, it was then tested in the field.

By April 1999, the Northern Division began structured Y2K compliance testing of ICS and NIBS, followed by the Court Calendar Program (CCP). A testing schedule, assessment reporting form, and tracking system for each module tested was developed by this division. Operations staff, working closely with the technical staff, made program modifications as needed. Following months of field testing by the Northern Division, Y2K compliant versions of ICS and NIBS were installed in all divisions on August 30, 1999. Also upgraded to Y2K specifications at that time were related software applications, such as CCP, VCIS (touch-tone inquiry automation), and RACER (used in webPACER).

Revisions transparent to the users of case management software made it possible to recognize the year 2000 in calendaring dates for hearings, §341(a) meetings, bar dates, and all other date-sensitive data. All computer hardware was checked for Y2K compliance and replaced as needed. The readiness of all networking and telecommunications hardware was determined by May 31, 1999. By September 15, 1999, Y2K compliant versions of the Court's appropriated funds procurement system (ASAP) and the financial system (LAFS) used to transmit requests to the District Court for payment of non-appropriated fund items also became fully operational. Finally, the Records Management System (RMS), written in non-Y2K compliant UNIX, was rewritten in Visual Foxpro so that it could be fully integrated into existing systems. After successfully piloting the new version of RMS, the Riverside Division trained the other four divisions simultaneously through the use of video conferencing. The Y2K version of RMS, known as the Visual Records Management System (VRMS), was introduced district-wide on December 20, 1999.



Use of Video Conference Hearing Technology Expands

The Court introduced video conference hearing technology for judicial proceedings to the Northern Division, completing the plan to provide this capability to all five divisions. The use of this technology also expanded in a variety of new areas for the Court, providing it with increased flexibility in handling its caseload.

Video conference hearing technology assists the Court by allowing the Court to assign cases based on workload, regardless of geographical considerations, while reducing the time and expense associated with travel. On August 9, 1999, the Honorable James N. Barr became the third judge to routinely receive a portion of his caseload from a division other than the one in which he sits. From his Santa Ana Division courtroom, Judge Barr presides over proceedings where the participating parties are in a Riverside courtroom. The Honorable John E. Ryan and the Honorable Ellen Carroll began using video conferencing technology to preside over hearings in 1998 and continued to receive and hear cases in this manner in 1999.

Several video conference hearing “firsts” occurred during the year. While many of the judges were away at a conference in Baltimore, Maryland, the Honorable David N. Naugle (who did not attend the conference) employed video conference technology to hear an emergency matter from the Santa Ana Division in his Riverside Division courtroom. The Honorable Lisa Hill Fenning used video conference hearing technology for a trial in which the plaintiff participated through a video link originating from a distant correctional facility. To accommodate possible courtroom overcrowding for hearings related to a mega case, the Honorable Barry Russell made use of existing video technology to broadcast hearings to an adjacent courtroom. Using existing wiring, cameras and monitors were set up in both courtrooms to allow attendees in the overflow courtroom to see and hear the hearings while Judge Russell monitored attendance in the remote courtroom.

At the Ninth Circuit Conference held in July 1999, the Court demonstrated video conference hearing technology as part of an educational program for the judges.

The video conference demonstration featured a “mock trial” that was held in Los Angeles and viewed in Monterey, California, where the conference took place. Based upon their practical use of the technology, the Honorable Ellen Carroll and the Honorable John E. Ryan gave a presentation highlighting video hearing technology that included a demonstration of various camera angles and other features of the system used in the Central District.



Video Conferencing Demonstration at the Ninth Circuit Conference

By the end of 1999, a project to enhance courtroom video conferencing equipment was underway throughout the district. The project includes: improved cameras, movable carts that allow for the mobility of cameras and monitors, additional wiring infrastructure in all courtrooms district-wide, in-house documentation of the technical aspects of the Court’s video systems, enhanced software for remote camera control, and new video panels for each bench. The video panels will display both a video image of the far end of the courtroom, as well as on-screen controls to position cameras and adjust sound.

Divisions Continue to Utilize Video Conferencing

The Court continued to use video conferencing to facilitate meetings, personnel recruitment, and training by reducing the time and costs associated with travel between divisions. During 1999, judges routinely attended committee meetings held in other divisions via video conferencing. Court Resources used video conferencing to conduct employment interviews when applicants or members of the recruitment panel were in different locations. Video conferencing was also utilized for district-wide training, ensuring that all divisions received the same information simultaneously.



IRS First to Participate in Court's Electronic Bankruptcy Noticing (EBN)

The Internal Revenue Service (IRS) became the first creditor in the district to receive notices electronically in lieu of printed copies on July 20, 1999. Other creditors that began participating in the program during 1999 were Foley's Department Stores, Max Recovery, Inc., and GE Capital Mortgage Services Corporation. Coordinated by the Administrative Office with technology available at the Bankruptcy Noticing Center (BNC), EBN cut costs to the judiciary associated with the printing and mailing of notices. Since notices issued through EBN are no longer printed, EBN allows creditors to receive a large volume of information that can be processed by their computers at a fraction of the cost of manual methods. EBN is also environmentally friendly as it eliminates the need for printed notices. All §341(a) meeting notices and Chapter 7 discharges sent by the Court to participating creditors are sent in the electronic noticing format and eliminate the printing of hundreds of thousands of notices.

Intake Notices Automated District-Wide

Following the successful piloting of the automated *Order to Comply*, *Case Commencement Deficiency Notice*, and *Case Initiation Action Notice* in the Riverside Division, the new Intake Cashiering System (ICS) enhancement was implemented throughout the Central District on March 29, 1999. The automation of these ICS forms eliminates the time previously required by the Clerk's Office to manually process the old multi-part forms, improves the consistency and legibility of the printed notices, and improves the ability of the Clerk's Office to implement district-wide form revisions.

Process for Imaging Case Documents Streamlined

As the number of bankruptcy case documents imaged and made available through online case files continued to increase, several areas of the imaging process were streamlined. The Los Angeles Division began testing the transmission of electronic images of the Order Closing Case (OCC) from the case management software to the appropriate online case file. This will eliminate the need to print and scan the OCC and then to link the image to the online case file.

An automation enhancement streamlined the production of bar code separator sheets used to facilitate the batch processing of documents in the imaging process. This enhancement eliminated several manual steps by allowing the operator to print



separator sheets in desired order, resulting in a significant reduction of “paper shuffling.” Additional data was added to the separator sheets to automate the linkage of each document image to the appropriate docket entry. A significant savings of resources and staff hours resulted from this automation enhancement, along with a reduction in the risk of operator error.

By the end of 1999, the Information Technology Division (ITD) developed a program eliminating the need for duplicate scanning of the creditor matrix: once for the online case file and a second time for the NIBS creditor database. This program allows users to retrieve creditor data from cases that have been imaged and transfer the data to NIBS. Quality control insures data integrity. Upon conclusion of a pilot program in the Los Angeles Division, the software will be made available district-wide.

IntelliTrack Fixed-Asset Inventory System Becomes Operational

In January 1999, the new IntelliTrack fixed-asset inventory system became operational. Replacing an internally developed DOS-based application, IntelliTrack improved the ability of the Court to track its fixed-asset inventory. It provided a more stable database and better access to reports. Another benefit was that all five divisions can simultaneously access IntelliTrack and complete inventory updates through the Court’s wide-area network (WAN). To ensure the accuracy and dependability of the new IntelliTrack system, the old system was operated in tandem with the new system for a two-month period before the old system was retired.

Paperless Option Now Available for Office Supply Requests

The *Office Supply Directory* was made electronically available on the Court’s Intranet web site. In addition to eliminating paper copies, the new Intranet version of the *Office Supply Directory* is always up to date and affords the user with a word search feature to quickly locate a supply item. An electronic version of the *Office Supply Order* form (formerly the *Supply Requisition*) was also made available through the interoffice e-mail system.

webPACER Access Doubled

In response to the record volume of webPACER usage, dial-in access to the Court’s webPACER system was doubled to accommodate the growing number of users. The added capacity was online by the end of 1999.



Computers Upgraded Throughout Court

Over 200 computers in chambers and several Clerk's Office departments were upgraded to improve the performance of all computer applications. The new Pentium II and III class computers run at speeds of up to 450 megahertz and feature between 64 mb and 128 mb of RAM.

Online Case File Servers Upgraded

A new server and disk subsystem was installed in Los Angeles on October 23, 1999, tripling the Court's capacity for storing document images for online case files. New servers were also received in the Riverside, Santa Ana, and San Fernando Valley Divisions that will dramatically expand the capacity available for the storage of document images in each of those divisions.

Cashiering Printers Upgraded

Cashiering windows in the Northern and San Fernando Valley Divisions were upgraded with new Hewlett Packard 4000 LaserJet printers, while the other three divisions will be upgraded in January 2000. Replacing dot matrix printers, the new printers improve the clarity of labels used for new bankruptcy case filings, adversary proceedings, and motions, as well as of receipts and cashiering reports. The new printers enable cashiers to print images of online case files, deficiency notices, orders to comply, and rejection notices - documents previously produced in the back office. The new printers are faster, printer noise is dramatically reduced, and the overall appearance of printed material is far more professional. Small Epson printers were also installed at each cashiering window for endorsing checks.



Case Administration

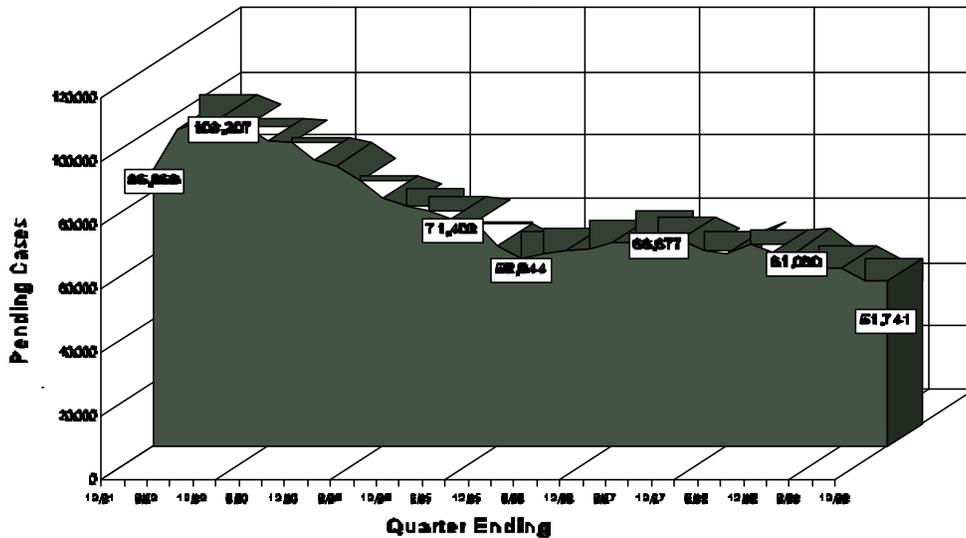
Near Record Number of Bankruptcy Cases Filed in 1999

In 1999, 101,472 bankruptcy cases were filed in the district, representing the fourth consecutive year in which over 100,000 cases were filed. While the number of filed bankruptcy cases declined 15.5% from the record 120,063 bankruptcy cases filed in 1998, the volume represents a remarkable 89% increase over the number of cases filed in 1989, just ten years ago. By streamlining operations and integrating case management automation, the Court is credited with not only managing its record volume, but also improving case management and customer service during that time.

Major Reduction in Pending Caseload Accomplished

In 1999, 111,736 bankruptcy cases were closed, reducing the Court's pending caseload to 51,741 cases, the lowest pending caseload in over 15 years. This represents a 15.3% decrease from the 61,090 cases pending at the end of 1998. Moreover, it is 50% less than the record 103,207 cases that were pending in 1992. Improved case management techniques, automation initiatives, aggressive case closing goals that were put into place in the last few years, and a reduction in case filings were credited for this impressive reduction. (See graph on page 46.) In addition to reducing the overall caseload, the Court also was successful in reducing the average age of the caseload. (See page 48.)

**Central District of California
Pending Caseload by Quarter: 1991 - 1999**



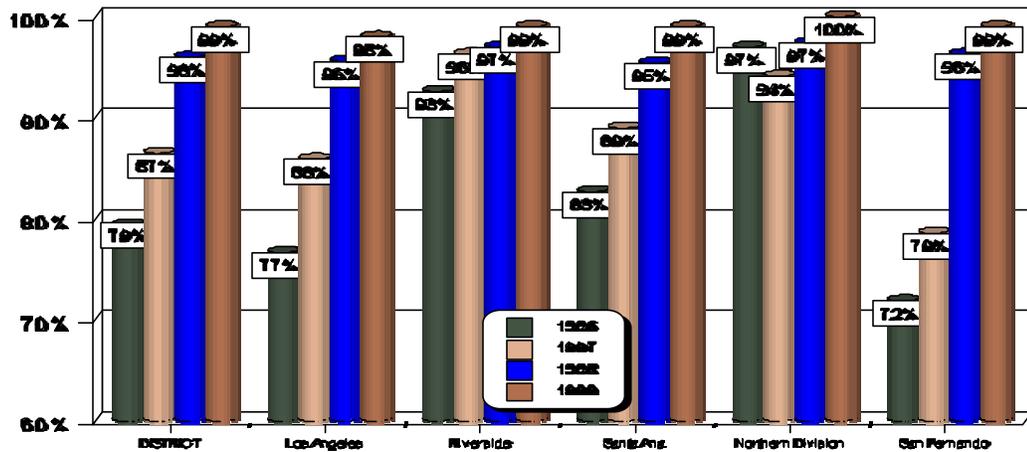
Excellent Docketing Performance Becomes Court Standard

In the past year, the Clerk's Office continued to improve its docketing performance as measured by the length of time it takes to enter a filed document on the docket, surpassing the already dramatic improvements achieved in this area over the last few years. In 1999, the Clerk's Office docketed 98% of all items (except automated entries) within two days of filing, compared to 96% in 1998. To better appreciate the improvements in docketing performance, only 59% of all items were docketed within two days when the Clerk's Office began measuring docketing performance in August 1995.

This superior docketing performance established a high standard of excellence for the Court. Docketing on a timely basis is important in providing case status information to both the public and the Court and has become more critical with the increasing availability and popularity of online case files.

Timely entry of all documents on the docket is essential not only to ensure efficient administration of the case, but is also a critical factor in ensuring public confidence in and acceptance of the online case file program.

**Central District of California
Docket Time: Items Completed in 2 Days or Less
(1996 through 1999)**



NIBS Docket Code Dictionary Posted to Intranet

The Court began posting the docket code dictionary on the Court's Intranet site. Designed to improve the staff's access to this document throughout the district, it was updated whenever a change occurred with one of the docket codes. With district-wide access to the dictionary, staff can be confident that they have the most up-to-date information.

Records Archived

The Central District sent files for 90,948 closed bankruptcy cases and files for 5,204 closed adversary proceedings to the National Archives and Records Administration (NARA) for archiving in 1999. The following table outlines the archiving activity that occurred in each division during 1999.

RECORDS SENT TO THE NATIONAL ARCHIVES AND RECORDS ADMINISTRATION IN 1999						
	LA	RS	SA*	Northern	SFV	Total
Bankruptcy Cases	46,682	26,020	0	6,954	11,292	90,948
Adversary Proceedings	2,258	1,407	0	449	1,090	5,204

*The Santa Ana Division archived a large shipment in 1998 prior to their relocation.

Clerk's Office Successfully Incorporates New Standing Trustees in the Riverside and San Fernando Valley Divisions

With the appointment of new standing trustees Rod Danielson and Elizabeth Rojas, the Chapter 13 case assignments and caseloads in the Riverside and San Fernando Valley Divisions were impacted. Beginning October 1, 1999, Mr. Danielson began receiving all Riverside Chapter 13 case filings and Ms. Rojas began receiving all San Fernando Valley Chapter 13 case filings. The reassignment of thousands of confirmed cases to the new trustees required docketing and revisions to trustee data contained on the dockets. Automation of the process reduced the impact of the reassignments on the Clerk's Office, while providing the public with timely information.

Average Case Age Reduced in 1999

In recent years, the district has focused its closing strategy on older bankruptcy cases and adversaries that are more complex than the majority of newer filings. The district measures case aging in 12 time categories in an effort to bring the older, more difficult cases to closure. In 1999, the Court's success in closing cases in seven of the 12 categories improved, and was unchanged in two categories. (See following table.)

Central District of California
Analysis of Pending Case Aging: 1998 vs. 1999

	Pending Case Aging Category	12/31/98	12/31/99	% Change
Chapter 7	Percent 2-4 Years	4.2	4.1	2.4
	Percent 4-6 Years	2.2	1.8	18.2
	Percent over 6 Years	1.9	1.8	0.5
Chapter 11	Percent 2-4 Years	24.8	24.9	-0.4
	Percent 4-6 Years	10.7	19.1	-78.5
	Percent over 6 Years	14.1	11.3	19.9
Chapter 13	Percent 3-5 Years	8.5	11.0	-29.4
	Percent 5-6 Years	0.5	0.5	0.0
	Percent over 6 Years	0.0	0.0	0.0
Adversaries	Percent 1-2 Years	15.6	14.1	9.6
	Percent 2-3 Years	6.6	5.9	10.6
	Percent over 3 Years	8.7	7.5	13.8
Number of Pending Case Aging Categories Recording No Change or Improvement Out of 12 Categories				9/12



Community Outreach

Court Employees Increase Charitable Contributions

In 1999, Court employees contributed \$47,648 to a variety of charities through the Combined Federal Campaign (CFC), a 21% increase over the \$39,408 contributed in 1998. Established in 1961, the Combined Federal Campaign is the only authorized charitable campaign in the federal government workplace. Through the CFC, Court employees contribute money to hundreds of different non-profit organizations for people in need. Having served as Chair of the 1998-99 Greater Los Angeles CFC, Jon D. Ceretto, Executive Officer/Clerk of Court, continued to support the charitable causes in 1999 through his participation as Vice-Chair of the Federal Executive Board and as the federal government member of the Greater Los Angeles United Way Board of Directors.



Mr. Ceretto receives the "Chair's Award" from Kathrene Hansen and William Withycombe.

Combined Federal Campaign (CFC) Program						
Division	1998 Dollars	1999 Dollars	% Change	1998 Donors	1999 Donors	% Change
Los Angeles and San Fernando Valley	\$29,444	\$32,520	10%	196	202	3%
Riverside	4,738	6,794	43%	77	32	-58%
Santa Ana	4,638	7,425	60%	23	37	61%
Northern	588	909	55%	12	12	0%
TOTAL	\$39,408	\$47,648	21%	308	283	-8%

Court Receives Awards for Public Service

The Greater Los Angeles Federal Executive Board acknowledged the Court with two awards in May 1999. The first award recognized the Court's Imaging team, comprised of both technical and operational staff, for outstanding contributions to public service by providing online case files to the public through webPACER. The Court received the second award as the federal agency making the most significant achievement during the 1998-1999 Combined Federal Campaign.



Summer Youth Program Expands to San Fernando Valley Division

The San Fernando Valley Division initiated a Summer Youth Employment Training Program (SYETP) in 1999, joining the already successful programs conducted by the Los Angeles and Santa Ana Divisions. Coordinated by the California Employment Development



Department and the cities of Los Angeles and Santa Ana, SYETP is designed to provide students with practical office experience. Students in the program were assigned entry-level duties to help them develop basic office skills and also were provided with training in computer software applications by the Court. Funded by a federal grant, this program has been a continued success for both the students and the Court. In 1999, a total of 46 students participated in the Court's SYETP: 36 in Los Angeles, 4 in Santa Ana, and 6 in the San Fernando Valley.

Computers Donated to Local Public Schools

Following the district-wide upgrade to new computers, the Court again contributed older computers to public schools in the communities that it serves. While the computers help students to develop the skills required to succeed, the donation of the computers also eliminates the need to store and otherwise dispose of them. Our Court continues to be a leader within the federal community in assisting public education.

Court Hosts National “Bring Your Child to Work” Day

The Los Angeles, Riverside, Santa Ana, and San Fernando Valley Divisions hosted over 130 children on April 22, 1999, for the national “Bring Your Child to Work” Day. In addition to acquainting children with their parent’s workplace, each division had a day of planned activities including mock trials, visits to neighboring agencies, demonstrations of imaging technology, and simple computer training.

